

SERFF Tracking Number: AMAX-125971791 State: Arkansas
Filing Company: American Association of Insurance Services State Tracking Number: EFT \$200
Company Tracking Number: AAIS-2008-83
TOI: 04.0 Homeowners Sub-TOI: 04.0002 Mobile Homeowners
Product Name: Mobile-Homeowners
Project Name/Number: CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83

Filing at a Glance

Company: American Association of Insurance Services

| | | |
|--|------------------------------|---|
| Product Name: Mobile-Homeowners | SERFF Tr Num: AMAX-125971791 | State: Arkansas |
| TOI: 04.0 Homeowners | SERFF Status: Closed | State Tr Num: EFT \$200 |
| Sub-TOI: 04.0002 Mobile Homeowners | Co Tr Num: AAIS-2008-83 | State Status: Fees received |
| Filing Type: Form | Co Status: | Reviewer(s): Becky Harrington, Betty Montesi |
| | Author: SPI AAIS | Disposition Date: 01/02/2009 |
| | Date Submitted: 12/31/2008 | Disposition Status: Approved |
| Effective Date Requested (New): 06/01/2009 | | Effective Date (New): 06/01/2009 |
| Effective Date Requested (Renewal): | | Effective Date (Renewal): 06/01/2009 |

State Filing Description:

General Information

| | |
|---|---------------------------------------|
| Project Name: CW MHO Water Exclusion Forms - AAIS-2008-83 | Status of Filing in Domicile: Pending |
| Project Number: AAIS-2008-83 | Domicile Status Comments: |
| Reference Organization: | Reference Number: |
| Reference Title: | Advisory Org. Circular: |
| Filing Status Changed: 01/02/2009 | |
| State Status Changed: 01/02/2009 | Deemer Date: |
| Corresponding Filing Tracking Number: | |
| Filing Description: | |
| Re: AAIS-2008-83 | |
| Mobile-Homeowners Program | |
| New and Revised Water Exclusion Endorsements | |

On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing a new mandatory endorsement and a revised optional endorsement.

| | | | |
|---------------------------------|---|-------------------------------|----------------------------------|
| <i>SERFF Tracking Number:</i> | <i>AMAX-125971791</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>American Association of Insurance Services</i> | <i>State Tracking Number:</i> | <i>EFT \$200</i> |
| <i>Company Tracking Number:</i> | <i>AAIS-2008-83</i> | | |
| <i>TOI:</i> | <i>04.0 Homeowners</i> | <i>Sub-TOI:</i> | <i>04.0002 Mobile Homeowners</i> |
| <i>Product Name:</i> | <i>Mobile-Homeowners</i> | | |
| <i>Project Name/Number:</i> | <i>CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83</i> | | |

The revised endorsement being submitted will replace the version of this endorsement currently on file in your state.

The Filing Memorandum provides background for this submission and detailed descriptions of the materials being filed. Copies of these endorsements are enclosed.

We propose that these endorsements described in this filing become effective June 1, 2009. Companies will be advised to take the filing action outlined in the attached company action exhibit.

Please be advised that, once approved, the materials that are the subject of this filing will also be provided to affiliated companies in an electronic format. We will be happy to furnish you the same material electronically, upon request. Due to differences in printer configurations or other hardware or software differences, the appearance of the materials that are the subject of this filing may be altered slightly when produced by another system. Such alterations will be cosmetic only and will not affect the content of the filed materials.

Company and Contact

Filing Contact Information

| | |
|-----------------------------------|-------------------------|
| Jolanda Staten, Filing Specialist | jolandas@aaisonline.com |
| 1745 South Naperville Road | (630) 681-8347 [Phone] |
| Wheaton, IL 60187-8132 | (630) 681-8356[FAX] |

Filing Company Information

| | | |
|--|-------------------------|-----------------------------|
| American Association of Insurance Services | CoCode: 31400 | State of Domicile: Delaware |
| 1745 S. Naperville Road | Group Code: | Company Type: |
| Wheaton, IL 60187-8132 | Group Name: | State ID Number: |
| (630) 681-8347 ext. [Phone] | FEIN Number: 36-2021360 | |
| | ----- | |

Filing Fees

| | |
|------------------|----------|
| Fee Required? | Yes |
| Fee Amount: | \$200.00 |
| Retaliatory? | No |
| Fee Explanation: | |
| Per Company: | No |

SERFF Tracking Number: *AMAX-125971791* *State:* *Arkansas*
Filing Company: *American Association of Insurance Services* *State Tracking Number:* *EFT \$200*
Company Tracking Number: *AAIS-2008-83*
TOI: *04.0 Homeowners* *Sub-TOI:* *04.0002 Mobile Homeowners*
Product Name: *Mobile-Homeowners*
Project Name/Number: *CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83*

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|--|----------|----------------|---------------|
| American Association of Insurance Services | \$200.00 | 12/31/2008 | 24791749 |

| | | | |
|---------------------------------|---|-------------------------------|----------------------------------|
| <i>SERFF Tracking Number:</i> | <i>AMAX-125971791</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>American Association of Insurance Services</i> | <i>State Tracking Number:</i> | <i>EFT \$200</i> |
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| <i>Product Name:</i> | <i>Mobile-Homeowners</i> | | |
| <i>Project Name/Number:</i> | <i>CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83</i> | | |

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|---------------|-------------------|-------------------|-----------------------|
| Approved | Becky Harrington | 01/02/2009 | 01/02/2009 |

| | | | |
|---------------------------------|---|-------------------------------|----------------------------------|
| <i>SERFF Tracking Number:</i> | <i>AMAX-125971791</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>American Association of Insurance Services</i> | <i>State Tracking Number:</i> | <i>EFT \$200</i> |
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Disposition

Disposition Date: 01/02/2009

Effective Date (New): 06/01/2009

Effective Date (Renewal): 06/01/2009

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AMAX-125971791 State: Arkansas
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TOI: 04.0 Homeowners Sub-TOI: 04.0002 Mobile Homeowners
Product Name: Mobile-Homeowners
Project Name/Number: CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83

| Item Type | Item Name | Item Status | Public Access |
|---------------------|--|-------------|---------------|
| Supporting Document | Uniform Transmittal Document-Property & Casualty | Approved | Yes |
| Supporting Document | AR - REG 29 - CERT OF COMPLIANCE | Approved | Yes |
| Supporting Document | AR - FORM FILING ABSTRACT F-1 | Approved | Yes |
| Supporting Document | CW MHO Water Excl Amendment Filing Memo | Approved | Yes |
| Supporting Document | Form 1,2,3,4,& 8 Ed 2.0 to ML 0616 10 08 | Approved | Yes |
| Supporting Document | ML-430 Ed 1.0 to ML 0430 10 08 | Approved | Yes |
| Supporting Document | Important Notice - Copyrighted Materials | Approved | Yes |
| Supporting Document | AR Forms Company Action Exhibit | Approved | Yes |
| Form | Tenants Personal Property Special Coverage | Approved | Yes |
| Form | Water Exclusion Endorsement | Approved | Yes |

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Form Schedule

| Review Status | Form Name | Form # | Edition Date | Form Type Action | Action Specific Data | Readability | Attachment |
|---------------|--|---------|--------------|---|---|-------------|----------------|
| Approved | Tenants Personal Property Special Coverage | ML 0430 | 10 08 | Endorsement/Amendment/Conditions Replaced | Replaced Form #:51.27 ML-430 Previous Filing #: | 51.27 | ML 0430.PDF |
| Approved | Water Exclusion Endorsement | ML 0616 | 10 08 | Endorsement/Amendment/Conditions New | | 57.69 | ML 0616.PDF |

TENANTS PERSONAL PROPERTY SPECIAL COVERAGE

PROPERTY COVERAGES

PRINCIPAL PROPERTY COVERAGES

Under Coverage C -- Personal Property, Limitations on Certain Property, item f. is deleted and replaced by the following:

- f. For loss by theft, misplacing, or losing:
- 1) \$2,500 on jewelry, watches, precious and semiprecious stones, gems, and furs;
 - 2) \$2,500 of silverware, goldware, pewterware, and items plated with gold or silver; and
 - 3) \$2,500 on guns.

INCIDENTAL PROPERTY COVERAGES

Collapse is deleted.

PERILS INSURED AGAINST -- COVERAGES C AND D

The perils insured against described under Coverages C and D are deleted and replaced by:

"We" insure property covered under Coverage C for risks of direct physical loss, unless the loss is excluded under the Exclusions That Apply to Property Coverages or the Additional Exclusions That Apply to Coverage C.

ADDITIONAL EXCLUSIONS THAT APPLY TO COVERAGE C

1. **Freezing, Discharge, Leakage, or Overflow -- Unoccupied Premises** -- "We" do not pay for loss caused by freezing or the resulting discharge, leakage, or overflow from any plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance

if the "insured premises" is vacant or unoccupied. This exclusion does not apply if "you" take reasonable care to:

- a. maintain heat at the "insured premises"; or
 - b. shut off the water supply and completely empty liquids from such system, heater, or appliance.
2. **Freezing, Thawing, Pressure, or Weight of Ice or Water** -- "We" do not pay for damage caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to structures (other than structures that are buildings, carports, or mobile homes) such as:
 - a. swimming pools, fences, patios, paved areas;
 - b. retaining walls, bulkheads, foundations; or
 - c. wharves, docks, or piers.
 3. **Theft** -- "We" do not cover theft or attempted theft in or to a dwelling being built, or theft of materials and supplies for use in construction of the dwelling, until the dwelling is occupied for its intended use.
 4. **Settling, Cracking, Shrinking, Bulging, or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of a building, mobile home, pavements, patios, or other outdoor structures.
 5. **Animals, Birds, Vermin, Rodents, or Insects** -- "We" do not pay for loss caused by animals owned or kept by an "insured", birds, vermin, rodents, or insects, except as provided under Incidental Property Coverages.

6. **Smoke** -- "We" do not pay for damage caused by smoke from agricultural smudging or industrial operations.
7. **Pollution** -- "We" do not pay for loss caused by the release, discharge, dispersal, seepage, migration, or escape of "pollutants", unless the release, discharge, dispersal, seepage, migration, or escape is caused by a peril insured against that would have applied under Coverage C of the policy had this endorsement not been attached.

"We" pay for an ensuing loss that results from any of the above, unless the ensuing loss itself is excluded.

8. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles.

However, this exclusion does not apply to:

- a. jewelry, watches, bronzes, cameras, and photographic lenses;
- b. loss caused by fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism; collapse of a building or mobile home (or any part of a building or mobile home); earthquake; volcanic eruption, explosion, or effusion; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning, or bulging of a heating, air-conditioning, or automatic fire protective sprinkling system or water heater; or
- c. loss caused by volcanic action or sinkhole collapse as described under the Perils Insured Against that would have applied under Coverage C of the policy had this endorsement not been attached.

9. **Watercraft** -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment and outboard engines or motors caused by collision, sinking, swamping, or stranding. However, this exclusion does not apply to collision of watercraft with a "motorized vehicle".
10. **Dampness and Temperature** -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. However, this does not apply to loss caused directly by rain, snow, sleet, or hail.
11. **Refinishing, Renovating, or Repairing** -- "We" do not pay for loss to property, other than jewelry, watches and furs, occasioned by or actually resulting from a refinishing, renovating, or repairing process.
12. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.

EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES

1. Earth Movement is deleted.
2. Water is amended by the addition of the following:
 - 8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the structure where the "insured premises" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

- 9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, used by, or in the care of an "insured". With respect to such loss, the Weather Conditions exclusion under Exclusions That Apply To Property Coverages does not apply.

WATER EXCLUSION ENDORSEMENT

1. In Form 2 and Form 4, under Perils Insured Against, the last paragraph under Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following:

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

2. In Form 3, under Perils Insured Against, Coverage A -- Residence and Coverage B -- Related Private Structures, Seepage or Leakage is deleted and replaced by the following:

Seepage or Leakage -- "We" do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance.

However, "we" do pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises". In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises", "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

3. In Form 3, under Perils Insured Against, Coverage C -- Personal Property, the last paragraph under Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following:

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

4. In Form 1, Form 2, Form 3, Form 4, and Form 8, the following is added to the first paragraph of item 1. under Exclusions That Apply To Property Coverages:

These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

5. In Form 1, Form 2, Form 3, Form 4, and Form 8, under Exclusions That Apply To Property Coverages, Water Damage is deleted and replaced by the following:

Water

- 1) "We" do not pay for loss caused by:

- a) flood;
- b) surface water;
- c) waves, including but not limited to tidal wave and tsunami;
- d) tides;
- e) tidal water;
- f) overflow of any body of water; or
- g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.

- 2) "We" do not pay for loss caused by water that:

- a) backs up through sewers or drains; or
- b) overflows or otherwise discharges from:

- (1) a sump, sump pump, or related equipment; or
- (2) any other type of system designed to remove subsurface water which is drained from the foundation area.

- 3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.

- 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.

- 5) The exclusions set forth in 1) through 4) above:

- a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and
- b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that:

- (1) overtops;
- (2) escapes from;
- (3) is released from; or
- (4) is otherwise discharged from;

a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.

- 6) "We" do pay for direct loss to covered property caused by fire or explosion (other than volcanic explosion) resulting from an event excluded in 1) through 4) above.

- 7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.

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|---------------------------------|---|-------------------------------|----------------------------------|
| <i>SERFF Tracking Number:</i> | <i>AMAX-125971791</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>American Association of Insurance Services</i> | <i>State Tracking Number:</i> | <i>EFT \$200</i> |
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| <i>TOI:</i> | <i>04.0 Homeowners</i> | <i>Sub-TOI:</i> | <i>04.0002 Mobile Homeowners</i> |
| <i>Product Name:</i> | <i>Mobile-Homeowners</i> | | |
| <i>Project Name/Number:</i> | <i>CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83</i> | | |

Supporting Document Schedules

| | | | | |
|-------------------------|--|-----------------------|----------|------------|
| Satisfied -Name: | Uniform Transmittal Document-Property & Casualty | Review Status: | Approved | 01/02/2009 |
|-------------------------|--|-----------------------|----------|------------|

Comments:

Attachments:

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF
AR - NAIC FORM FILING SCHEDULE.PDF

| | | | | |
|-------------------------|----------------------------------|-----------------------|----------|------------|
| Satisfied -Name: | AR - REG 29 - CERT OF COMPLIANCE | Review Status: | Approved | 01/02/2009 |
|-------------------------|----------------------------------|-----------------------|----------|------------|

Comments:

Attachment:

AR - REG 29 - CERT OF COMPLIANCE.PDF

| | | | | |
|-------------------------|-------------------------------|-----------------------|----------|------------|
| Satisfied -Name: | AR - FORM FILING ABSTRACT F-1 | Review Status: | Approved | 01/02/2009 |
|-------------------------|-------------------------------|-----------------------|----------|------------|

Comments:

Attachment:

AR - FORM FILING ABSTRACT F-1.PDF

| | | | | |
|-------------------------|---|-----------------------|----------|------------|
| Satisfied -Name: | CW MHO Water Excl Amendment Filing Memo | Review Status: | Approved | 01/02/2009 |
|-------------------------|---|-----------------------|----------|------------|

Comments:

Attachment:

CW MHO Water Excl Amendment Filing Memo.PDF

| | | | | |
|-------------------------|--|-----------------------|----------|------------|
| Satisfied -Name: | Form 1,2,3,4,& 8 Ed 2.0 to ML 0616 10 08 | Review Status: | Approved | 01/02/2009 |
|-------------------------|--|-----------------------|----------|------------|

Comments:

| | | | |
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Attachment:

Form 1,2,3,4,& 8 Ed 2_0 to ML 0616 10 08.PDF

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Product Name: Mobile-Homeowners
Project Name/Number: CW MHO Water Exclusion Forms - AAIS-2008-83/AAIS-2008-83

Review Status:
Satisfied -Name: ML-430 Ed 1.0 to ML 0430 10 08 Approved 01/02/2009
Comments:
Attachment:
ML-430 Ed 1_0 to ML 0430 10 08.PDF

Review Status:
Satisfied -Name: Important Notice - Copyrighted Materials Approved 01/02/2009
Comments:
Attachment:
Important Notice - Copyrighted Materials.PDF

Review Status:
Satisfied -Name: AR Forms Company Action Exhibit Approved 01/02/2009
Comments:
Attachment:
AR Forms Company Action Exhibit.PDF


Property & Casualty Transmittal Document

| | | |
|---|---|--|
| 1. Reserved for Insurance Dept. Use Only | 2. Insurance Department Use only | |
| | a. Date the filing is received: | |
| | b. Analyst: | |
| | c. Disposition: | |
| | d. Date of disposition of the filing: | |
| | e. Effective date of filing: | |
| | New Business | |
| | Renewal Business | |
| | f. State Filing #: | |
| g. SERFF Filing #: | | |
| h. Subject Codes | | |

| | | | | | |
|--|-----------------|---------------|---------------|----------------|---------------------|
| 3. Group Name | | | | | Group NAIC # |
| | | | | | 0000 |
| 4. Company Name(s) | Domicile | NAIC # | FEIN # | State # | |
| American Association of Insurance Services | DE | 31400 | 36-2021360 | | |
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|-----------------------------------|--------------|
| 5. Company Tracking Number | AAIS-2008-83 |
|-----------------------------------|--------------|

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

| | | | | |
|--|--|--------------------------|--------------|------------------------|
| 6. Name and address | Title | Telephone #s | FAX # | e-mail |
| Jolanda Staten 1745 South Naperville Road Wheaton IL 60187-8132 | Filing Specialist | 800-564-2247 Ext. 234 | 630-681-8356 | jolandas@aaionline.com |
| 7. Signature of authorized filer |  | | | |
| 8. Please print name of authorized filer | Jolanda Staten | | | |

Filing Information (see General Instructions for descriptions of these fields)

| | | | | |
|---|--|--------------|----------|--------------|
| 9. Type of Insurance (TOI) | 04.0 Homeowners | | | |
| 10. Sub-Type of Insurance (Sub-TOI) | 04.0002 Mobile Homeowners | | | |
| 11. State Specific Product code(s) (if applicable) [See State Specific Requirements] | | | | |
| 12. Company Program Title (Marketing Title) | Mobile-homeowners | | | |
| 13. Filing Type | <input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description) | | | |
| 14. Effective Date(s) Requested | New: | June 1, 2009 | Renewal: | June 1, 2009 |
| 15. Reference Filing? | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| 16. Reference Organization (if applicable) | NA, we are advisory organization. | | | |
| 17. Reference Organization # & Title | | | | |
| 18. Company's Date of Filing | December 31, 2008 | | | |
| 19. Status of filing in domicile | <input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved | | | |

Property & Casualty Transmittal Document

| | | |
|------------|--|--------------|
| 20. | This filing transmittal is part of Company Tracking # | AAIS-2008-83 |
| 21. | Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text] | |

Re: AAIS-2008-83
 Mobile-Homeowners Program
 New and Revised Water Exclusion Endorsements

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| | |
|--|--|
| 22. | Filing Fees (Filer must provide check # and fee amount if applicable.) [If a state requires you to show how you calculated your filing fees, place that calculation below] |
| <div style="margin-bottom: 20px;"> Check #: Amount: </div> <div style="text-align: center; margin-top: 100px;"> Refer to each state's checklist for additional state specific requirements or instructions on calculating fees. </div> | |

***Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

| | | |
|-----------|--|--------------|
| 1. | This filing transmittal is part of Company Tracking # | AAIS-2008-83 |
|-----------|--|--------------|

| | | |
|-----------|---|--|
| 2. | This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable) | |
|-----------|---|--|

| 3. | Form Name /Description/Synopsis | Form # Include edition date | Replacement Or Withdrawn? | If replacement, give form # it replaces | Previous state filing number, if required by state |
|-----------|--|--|---|--|---|
| 01 | Tenants Personal Property Special Coverage | ML 0430 10 08 | <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | ML-430 1.0 | |
| 02 | Water Exclusion Endorsement | ML 0616 10 08 | <input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 03 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 04 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 05 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 06 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 07 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 08 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 09 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 10 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 11 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services
0000-31400

DESCRIPTION: Tenants Personal Property Special Coverage

FORM NUMBER: ML 0430

EDITION DATE: 10 08

This is to certify that the above captioned property and/or
Casualty policy form has achieved a Flesch Reading Ease Test Score of
51.27 , and complies with the requirements of Act 517
of 1981, the Property and Casualty Insurance Policy Simplification
Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies
with Department Rule and Regulation 29.



Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading
Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY DIVISION

RULE AND REGULATION 29
REVISED CERTIFICATE OF COMPLIANCE

INSURER NAME AND NAIC NUMBER: American Association of Insurance Services
0000-31400

DESCRIPTION: Water Exclusion Endorsement

FORM NUMBER: ML 0616

EDITION DATE: 10 08

This is to certify that the above captioned property and/or Casualty policy form has achieved a Flesch Reading Ease Test Score of 57.69, and complies with the requirements of Act 517 of 1981, the Property and Casualty Insurance Policy Simplification Act, codified as Ark. Code Ann. §§23-80-301—23-80-308, and complies with Department Rule and Regulation 29.



Signature of Officer of Company

Assistant Vice President, Compliance
Title

If a policy is stored by a method other than the Flesch Reading Ease Test, the alternate method should be explained in detail.

(Rev. 10-92)

ARKANSAS INSURANCE DEPARTMENT

Form F-1
Rev. 4/96

FORM FILING ABSTRACT

ALL QUESTIONS MUST BE ANSWERED

Page 1 of 2

Companies filing for a group may use a consolidated abstract if all forms are identical.

1. Date Filed December 31, 2008
2. Company Name(s) American Association of Insurance Services
Group Name _____ NAIC No. 31400 Group No. 0000
3. (a) Annual Statement Line of Business Number (Page 14) 4.0002
(b) Class of Business Mobile-homeowners
© Coverages Affected _____
4. (a) Name of Advisory Organization, if any NA, we are advisory organization.
(b) Affiliations with Advisory Organization: Member (☐) Subscriber (☐)
5. Is this a reference filing? Yes (☐) No (☐) If yes, please provide the following:
(a) Name of Advisory Organization (or Affiliated Company) _____
(b) Date of Filing _____
© Filing Designation Number or Description _____

PROVIDE THE INFORMATION REQUESTED ON PAGE 2 OF THIS FORM

7. Has the form(s) been approved for use in your domiciliary state and/or other states?
This is a countrywide filing and the filing is pending in domiciliary state of DE.
8. Is the form filed in response to or due to legislation? If so, specify legislation.
NA
9. Is the form in response to or due to recent court decisions? If so, give citation.
NA

THIS INFORMATION IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Signature

Jolanda Staten

Title

630-681-8347

Telephone Number

Page 2 of 2

| Old Form No. | Proposed Effective Date of New Form | New Form No. | Title of the Form(s); also Indicate Withdrawals: Provide Synopsis of Coverage |
|--------------|---|---------------|---|
| ML-430 1.0 | June 1, 2009 | ML 0430 10 08 | Tenants Personal Property Special Coverage |
| | June 1, 2009 | ML 0616 10 08 | Water Exclusion Endorsement |

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
MOBILE-HOMEOWNERS PROGRAM
FILING MEMORANDUM
WATER EXCLUSION AMENDMENT**

At this time, AAIS is submitting revisions to its Mobile-Homeowners program. The revisions, which consist of one new mandatory endorsement and one revised optional endorsement, are being made to reinforce the intended scope of the forms' exclusion for water damage.

Descriptions of the proposed endorsements are provided below, and copies of the proposed endorsements are included with this filing. Also included in this filing are two side-by-side exhibits showing:

- The amendments set forth in endorsement ML 0616 compared to their counterpart provisions in the forms to which the endorsement will be attached; and
- Current endorsement ML-430 Ed. 1.0 compared to proposed endorsement ML 0430 10 08.

Endorsement ML 0616 10 08

Proposed endorsement ML 0616 10 08 is new and is being filed as a mandatory endorsement, meaning it will be attached to every policy.

Item 5. in the endorsement replaces the forms' Water Damage exclusion with an exclusion entitled 'Water'. In addition to the change in title, the changes to the exclusion are as follows:

- The provision excluding coverage for loss caused by waves now indicates that it includes, but is not limited to, tidal wave and tsunami.
- The exclusion for loss caused by flood, surface water, waves, etc. now specifically refers to tides, and it also specifies that it includes, but is not limited to, tidal surge, storm surge, and storm tide.
- The provision excluding coverage for loss caused by water or sewage that backs up through sewers or drains or water that overflows from within a sump pump, etc. has been changed. First, the exclusion now indicates that there is no coverage for loss caused by water that backs up through sewers or drains or water that overflows *or otherwise discharges* from a sump, sump pump, etc. In addition, the provision no longer includes reference to sewage. (However, as described below, the Water exclusion now precludes coverage for matter present in or carried by all excluded water.)
- The exclusion for loss caused by water below the surface of the ground now specifies that it includes, *but is not limited to*, water that exerts pressure on, or seeps, leaks, *or flows* through or into, a building, sidewalk, driveway, *patio*, foundation, swimming pool, or other structure.
- The exclusion now specifies that there is no coverage for loss caused by matter (as opposed to sewage) present in or carried or otherwise moved by water, and the provision has been positioned so as to exclude coverage for matter present in or carried or otherwise moved by *all* excluded water.
- The exclusion now specifies that it applies regardless of the cause of the excluded event, whether or not the cause is an act of nature.

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
MOBILE-HOMEOWNERS PROGRAM
FILING MEMORANDUM
WATER EXCLUSION AMENDMENT**

- The exclusion now specifies that it applies to, but is not limited to, water that overtops, escapes from, etc. a device or feature designed or used to retain water, such as a dam, levee, or dike.

Since the Water exclusion now indicates that it applies regardless of the cause of the excluded event, items 1. and 3. in endorsement ML 0616 10 08 amend the Accidental Discharge peril to specify that items 1)b) (surface water) and 3) (water below the surface of the ground) of the Water exclusion do not apply to with respect to loss by water covered under the peril. In addition, the peril's statement that plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment has been revised to state that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Also because the Water exclusion now indicates that it applies regardless of the cause of the excluded event, item 2. in endorsement ML 0616 10 08 amends the exception to Form 3's exclusion for Seepage or Leakage to specify that items 1)b) (surface water) and 3) (water below the surface of the ground) of the Water exclusion do not apply to with respect to loss by water covered under the exception. In addition, the exception now indicates that it applies to loss caused by accidental discharge from a plumbing, etc. system *on the insured premises*, and its statement that plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment has been revised to state that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Finally, item 4. in endorsement ML 0616 10 08 adds a statement to the preface to the forms' general property exclusions (which include the Water exclusion) to specify that the exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.

Endorsement ML 0430 10 08

Endorsement ML 0430 10 08 is being filed to replace optional endorsement ML-430 Ed 1.0, which can be attached to a policy that includes Form 4 to provide 'special' or open perils coverage for personal property.

Since the Water exclusion now specifies that it applies regardless of the cause of the excluded event, endorsement ML 0430 10 08 adds a provision to the Water exclusion to indicate that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the structure where the "insured premises" is located when loss caused by such water is not otherwise excluded by the policy. This added provision keeps the open perils coverage from being more restrictive than the named perils coverage that it replaces. (The named perils in Form 4 include coverage for loss caused by Accidental Discharge). The provision further specifies that plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
MOBILE-HOMEOWNERS PROGRAM
FILING MEMORANDUM
WATER EXCLUSION AMENDMENT**

Finally, provision stating that the Water exclusion doesn't apply with respect to property covered under Coverage C while the property is away from a premises or location owned by, rented to, occupied by, used by, or in the care of an insured now specifies that the Weather Conditions exclusion also does not apply with respect to such loss.

| AAIS CURRENT Forms 1, 2, 3, 4, & 8 Ed 2.0 | AAIS PROPOSED ML 0616 10 08 | COMMENTS |
|--|--|-----------------|
|--|--|-----------------|

(Form 2 and Form 4)

**PERILS INSURED AGAINST --
COVERAGES A, B, C, AND D**

**15. Accidental Discharge or Overflow of Liquids or
Steam**

In this peril, plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment.

(Form 3)

**PERILS INSURED AGAINST --
COVERAGES A, B, C, AND D**

**Coverage A -- Residence and Coverage B -- Related
Private Structures --**

5. **Seepage or Leakage** -- "We" do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance.

However, "we" do pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance. In this exception, plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment.

WATER EXCLUSION ENDORSEMENT

1. In Form 2 and Form 4, under Perils Insured Against, the last paragraph under Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following:

In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.

2. In Form 3, under Perils Insured Against, Coverage A -- Residence and Coverage B -- Related Private Structures, Seepage or Leakage is deleted and replaced by the following:

Seepage or Leakage -- "We" do not pay for loss caused by repeated or continuous seepage or leakage of liquids or steam from within a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance.

However, "we" do pay for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises". In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

The proposed endorsement specifies that plumbing systems and domestic appliances also do not include any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

The proposed endorsement specifies that the exclusions that apply to surface water or water below the surface of the ground do not apply to loss by water under this peril.

The proposed endorsement specifies that there is coverage for loss caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance *on the insured premises*. Further, the proposed endorsement specifies that plumbing systems and domestic appliances also do not include any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

| AAIS CURRENT Forms 1, 2, 3, 4, & 8 Ed 2.0 | AAIS PROPOSED ML 0616 10 08 | COMMENTS |
|--|--|---|
| <p>When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance, "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.</p> <p>(Form 3) PERILS INSURED AGAINST -- COVERAGES A, B, C, AND D</p> <p>Coverage C -- Personal Property --</p> <p>15. Accidental Discharge or Overflow of Liquids or Steam</p> <p>In this peril, plumbing systems and domestic appliances do not include a sump, sump pump, or related equipment.</p> <p>(Forms 1, 2, 3, 4, & 8) EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES</p> <p>1. "We" do not pay for loss if one or more of the following exclusions apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.</p> | <p>When loss is caused by the accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance on the "insured premises", "we" also pay the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance. "We" do not pay for loss to the system, heater, or appliance from which the liquid or steam escapes.</p> <p>Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.</p> <p>3. In Form 3, under Perils Insured Against, Coverage C -- Personal Property, the last paragraph under Accidental Discharge or Overflow of Liquids or Steam is deleted and replaced by the following:</p> <p>In this peril, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.</p> <p>Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this peril.</p> <p>4. In Form 1, Form 2, Form 3, Form 4, and Form 8, the following is added to the first paragraph of item 1. under Exclusions That Apply To Property Coverages:</p> <p>These exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.</p> | <p>The proposed endorsement specifies that there is coverage for the reasonable cost of removing and replacing those parts of the building or mobile home needed to repair the system, heater, or appliance due to accidental leakage, overflow, or discharge of liquids or steam from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance <i>on the insured premises</i>.</p> <p>The proposed endorsement specifies that the exclusions that apply to surface water or water below the surface of the ground do not apply to loss by water under this exception.</p> <p>The proposed endorsement specifies that plumbing systems and domestic appliances also do not include any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.</p> <p>The proposed endorsement specifies that the exclusions that apply to surface water or water below the surface of the ground do not apply to loss by water under this peril.</p> <p>The proposed endorsement adds a statement to the preface of the general property exclusions (which include the Water exclusion) to specify that the exclusions apply whether or not an extensive area suffers damage from or is affected by the excluded cause or event.</p> |

| AAIS CURRENT Forms 1, 2, 3, 4, & 8 Ed 2.0 | AAIS PROPOSED ML 0616 10 08 | COMMENTS |
|--|--|-----------------|
|--|--|-----------------|

(Forms 1, 2, 3, 4, & 8)

**EXCLUSIONS THAT APPLY TO
PROPERTY COVERAGES**

- g. **Water Damage** -- "We" do not pay for loss which results from the following:
- 1) flood, surface water, waves, tidal water, overflow of a body of water, or spray, all whether driven by wind or not;
 - 2) water or sewage which backs up through sewers or drains or water which overflows from within a sump pump, sump pump well, or other type of system designed to remove subsurface water which is drained from the foundation area; or
 - 3) water below the surface of the ground. This includes water which exerts pressure on, or seeps or leaks through or into a building, sidewalk, driveway, foundation, swimming pool, or other structure.

5. In Form 1, Form 2, Form 3, Form 4, and Form 8, under Exclusions That Apply To Property Coverages, Water Damage is deleted and replaced by the following:

Water

- 1) "We" do not pay for loss caused by:
 - a) flood;
 - b) surface water;
 - c) waves, including but not limited to tidal wave and tsunami;
 - d) tides;
 - e) tidal water;
 - f) overflow of any body of water; or
 - g) spray from a) through f) above;

whether driven by wind or not.

This includes, but is not limited to, tidal surge, storm surge, and storm tide.
- 2) "We" do not pay for loss caused by water that:
 - a) backs up through sewers or drains; or
 - b) overflows or otherwise discharges from:
 - (1) a sump, sump pump, or related equipment; or
 - (2) any other type of system designed to remove subsurface water which is drained from the foundation area.
- 3) "We" do not pay for loss caused by water below the surface of the ground. This includes, but is not limited to, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, patio, foundation, swimming pool, or other structure.
- 4) "We" do not pay for loss caused by matter present in or carried or otherwise moved by water described in 1) through 3) above.

The proposed endorsement replaces the 'Water Damage' exclusion with an exclusion entitled 'Water'.

The provision excluding coverage for loss caused by waves now indicates that it includes, but is not limited to, tidal wave and tsunami.

The exclusion for loss caused by flood, surface water, waves, etc. now specifically refers to tides. It also specifies that it includes, but is not limited to, tidal surge, storm surge, and storm tide.

The proposed endorsement states there is no coverage for loss caused by water that backs up through sewers or drains or water that overflows *or otherwise discharges* from a sump, sump pump, etc. Also, the provision does not reference sewage. However, the proposed exclusion now precludes coverage for matter present in or carried by all excluded water.

The exclusion for loss caused by water below the surface of the ground now specifies that it includes, *but is not limited to*, water that exerts pressure on, or seeps, leaks, or flows through or into, a building, sidewalk, driveway, *patio*, foundation, swimming pool, or other structure.

The exclusion now specifies that there is no coverage for loss caused by matter (as opposed to sewage) present in or carried or otherwise moved by water. The provision excludes coverage for matter present in or carried or otherwise moved by *all* excluded water.

| AAIS CURRENT Forms 1, 2, 3, 4, & 8 Ed 2.0 | AAIS PROPOSED ML 0616 10 08 | COMMENTS |
|--|--|---|
| <p>"We" do pay for direct loss caused by fire; explosion (other than a volcanic explosion); and theft resulting from water damage.</p> | <p>5) The exclusions set forth in 1) through 4) above:</p> <ul style="list-style-type: none"> a) apply regardless of the cause of the excluded event, whether or not such cause is an act of nature; and b) apply to, but are not limited to, water and matter present in or carried or otherwise moved by water, whether driven by wind or not, that: <ul style="list-style-type: none"> (1) overtops; (2) escapes from; (3) is released from; or (4) is otherwise discharged from; <p>a dam, levee, dike, floodgate, or other device or feature designed or used to retain, contain, or control water.</p> <p>6) "We" do pay for direct loss to covered property caused by fire or explosion (other than volcanic explosion) resulting from an event excluded in 1) through 4) above.</p> <p>7) These exclusions do not apply to loss caused by theft that is otherwise covered by this policy.</p> | <p>The exclusion now specifies that it applies regardless of the cause of the excluded event, whether or not the cause is an act of nature.</p> <p>The exclusion now specifies that it applies, but is not limited to, water that overtops, escapes from, is released from, or is discharged from a device or feature designed or used to retain water, such as a dam, levee, or dike.</p> <p>The proposed endorsement specifies that coverage for direct loss caused by fire or explosion (other than a volcanic explosion) resulting from an excluded event applies to covered property.</p> <p>The exclusion now specifies that these exclusions do not apply to loss caused by theft that is otherwise covered by the policy.</p> |

| AAIS CURRENT ML-430 Ed 1.0 | AAIS PROPOSED ML 0430 10 08 | COMMENTS |
|---|--|-----------------|
|---|--|-----------------|

ADDITIONAL EXCLUSIONS THAT APPLY TO COVERAGE C

1. **Freezing, Discharge, Leakage, or Overflow -- Unoccupied Premises** -- "We" do not pay for loss caused by freezing or the resulting discharge, leakage, or overflow from any plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance if the "insured premises" is vacant or unoccupied. This exclusion does not apply if "you" take reasonable care to:
 - a. maintain heat at the "insured premises"; or
 - b. shut off the water supply and completely empty liquids from such system, heater, or appliance.
2. **Freezing, Thawing, Pressure, or Weight of Ice or Water** -- "We" do not pay for damage caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to structures (other than structures that are buildings, carports, or mobile homes) such as:
 - a. swimming pools, fences, patios, paved areas;
 - b. retaining walls, bulkheads, foundations; or
 - c. wharves, docks, or piers.
3. **Theft** -- "We" do not cover theft or attempted theft in or to a dwelling being built, or theft of materials and supplies for use in construction of the dwelling, until the dwelling is occupied for its intended use.
4. **Settling, Cracking, Shrinking, Bulging, or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of a building, mobile home, pavements, patios, or other outdoor structures.
5. **Animals, Birds, Vermin, Rodents, or Insects** -- "We" do not pay for loss caused by animals owned or kept by an "insured", birds, vermin, rodents, or insects, except as provided under Incidental Property Coverages.

ADDITIONAL EXCLUSIONS THAT APPLY TO COVERAGE C

1. **Freezing, Discharge, Leakage, or Overflow -- Unoccupied Premises** -- "We" do not pay for loss caused by freezing or the resulting discharge, leakage, or overflow from any plumbing, heating, air-conditioning, or automatic fire protective sprinkling system; water heater; or domestic appliance if the "insured premises" is vacant or unoccupied. This exclusion does not apply if "you" take reasonable care to:
 - a. maintain heat at the "insured premises"; or
 - b. shut off the water supply and completely empty liquids from such system, heater, or appliance.
2. **Freezing, Thawing, Pressure, or Weight of Ice or Water** -- "We" do not pay for damage caused by freezing, thawing, pressure, or weight of ice or water, whether driven by wind or not, to structures (other than structures that are buildings, carports, or mobile homes) such as:
 - a. swimming pools, fences, patios, paved areas;
 - b. retaining walls, bulkheads, foundations; or
 - c. wharves, docks, or piers.
3. **Theft** -- "We" do not cover theft or attempted theft in or to a dwelling being built, or theft of materials and supplies for use in construction of the dwelling, until the dwelling is occupied for its intended use.
4. **Settling, Cracking, Shrinking, Bulging, or Expanding** -- "We" do not pay for loss caused by the settling, cracking, shrinking, bulging, or expanding of a building, mobile home, pavements, patios, or other outdoor structures.
5. **Animals, Birds, Vermin, Rodents, or Insects** -- "We" do not pay for loss caused by animals owned or kept by an "insured", birds, vermin, rodents, or insects, except as provided under Incidental Property Coverages.

No revisions.

| AAIS CURRENT ML-430 Ed 1.0 | AAIS PROPOSED ML 0430 10 08 | COMMENTS |
|---|--|-----------------|
|---|--|-----------------|

6. **Smoke** -- "We" do not pay for damage caused by smoke from agricultural smudging or industrial operations.
7. **Pollution** -- "We" do not pay for loss caused by the release, discharge, dispersal, seepage, migration, or escape of "pollutants", unless the release, discharge, dispersal, seepage, migration, or escape is caused by a peril insured against that would have applied under Coverage C of the policy had this endorsement not been attached.

"We" pay for an ensuing loss that results from any of the above, unless the ensuing loss itself is excluded.

8. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles.

However, this exclusion does not apply to:

- a. jewelry, watches, bronzes, cameras, and photographic lenses;
- b. loss caused by fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism; collapse of a building or mobile home (or any part of a building or mobile home); earthquake; volcanic eruption, explosion, or effusion; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning, or bulging of a heating, air-conditioning, or automatic fire protective sprinkling system or water heater; or
- c. loss caused by volcanic action or sinkhole collapse as described under the Perils Insured Against that would have applied under Coverage C of the policy had this endorsement not been attached.

6. **Smoke** -- "We" do not pay for damage caused by smoke from agricultural smudging or industrial operations.
7. **Pollution** -- "We" do not pay for loss caused by the release, discharge, dispersal, seepage, migration, or escape of "pollutants", unless the release, discharge, dispersal, seepage, migration, or escape is caused by a peril insured against that would have applied under Coverage C of the policy had this endorsement not been attached.

"We" pay for an ensuing loss that results from any of the above, unless the ensuing loss itself is excluded.

8. **Breakage** -- "We" do not pay for loss caused by breakage of eyeglasses, glassware, statuary, marble, bric-a-brac, porcelains and similar fragile articles.

However, this exclusion does not apply to:

- a. jewelry, watches, bronzes, cameras, and photographic lenses;
- b. loss caused by fire; lightning; windstorm; hail; smoke (other than smoke from agricultural smudging or industrial operations); explosion; riot; civil commotion; aircraft; vehicles; vandalism; collapse of a building or mobile home (or any part of a building or mobile home); earthquake; volcanic eruption, explosion, or effusion; water not otherwise excluded; theft or attempted theft; or sudden and accidental tearing apart, cracking, burning, or bulging of a heating, air-conditioning, or automatic fire protective sprinkling system or water heater; or
- c. loss caused by volcanic action or sinkhole collapse as described under the Perils Insured Against that would have applied under Coverage C of the policy had this endorsement not been attached.

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|---|---|---|
| <p>9. Watercraft -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment and outboard engines or motors caused by collision, sinking, swamping, or stranding. However, this exclusion does not apply to collision of watercraft with a "motorized vehicle".</p> <p>10. Dampness and Temperature -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. However, this does not apply to loss caused directly by rain, snow, sleet, or hail.</p> <p>11. Refinishing, Renovating, or Repairing -- "We" do not pay for loss to property, other than jewelry, watches and furs, occasioned by or actually resulting from a refinishing, renovating, or repairing process.</p> <p>12. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.</p> | <p>9. Watercraft -- "We" do not pay for loss to watercraft, including their trailers, furnishings, equipment and outboard engines or motors caused by collision, sinking, swamping, or stranding. However, this exclusion does not apply to collision of watercraft with a "motorized vehicle".</p> <p>10. Dampness and Temperature -- "We" do not pay for loss caused by dampness of atmosphere or extremes of temperature. However, this does not apply to loss caused directly by rain, snow, sleet, or hail.</p> <p>11. Refinishing, Renovating, or Repairing -- "We" do not pay for loss to property, other than jewelry, watches and furs, occasioned by or actually resulting from a refinishing, renovating, or repairing process.</p> <p>12. "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages.</p> | |
| <p>EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES</p> <p>1. Earth Movement is deleted.</p> <p>2. Water Damage is amended by the addition of the following:</p> | <p>EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES</p> <p>1. Earth Movement is deleted.</p> <p>2. Water is amended by the addition of the following:</p> <p>8) With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance at or in the structure where the "insured premises" is located when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.</p> | <p>The proposed endorsement specifies that surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, etc. system or domestic appliance at or in the "insured premises" when loss caused by such water is not otherwise excluded in the policy. Also, plumbing systems and domestic appliances do not include sumps, sump pumps, related equipment, or any other type of system designed to remove subsurface water, roof drains, gutters, downspouts, or such equipment.</p> |

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|---|--|---|
| <p>"We" do pay for direct loss caused by water damage to property covered under Coverage C while away from an "insured premises" or a location owned by, rented to, occupied by, used by, or in the care of an "insured".</p> | <p>9) These exclusions do not apply with respect to direct physical loss to property covered under Coverage C while such property is away from a premises or location owned by, rented to, occupied by, used by, or in the care of an "insured". With respect to such loss, the Weather Conditions exclusion under Exclusions That Apply To Property Coverages does not apply.</p> | <p>Under the proposed endorsement, the Weather Conditions exclusion does not apply to loss to personal property away from a premises or location owned by, rented to, occupied by, used by, or in the care of an insured that is caused by water.</p> |

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AMERICAN ASSOCIATION OF INSURANCE SERVICES

COMPANY ACTION EXHIBIT

ARKANSAS

FORMS AND ENDORSEMENTS

Companies that have granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing, without modifications, on the effective date designated by AAIS without notifying the Arkansas Insurance Department (ARID).
- can adopt an AAIS forms and endorsements filing on an earlier effective date by notifying the ARID at least 30 days before their chosen effective date.
- can adopt an AAIS forms and endorsements filing on a later effective date by notifying the ARID at least 30 days before the effective date designated by AAIS.
- can modify an AAIS forms and endorsements filing by establishing an effective date and submitting their modifications to the ARID at least 30 days before their chosen effective date.
- can choose not to adopt an AAIS forms and endorsements filing by notifying the ARID on or before the effective date designated by AAIS.

Companies that have not granted AAIS filing authority for forms and endorsements for this line of insurance:

- can adopt an AAIS forms and endorsements filing by establishing an effective date and making a reference filing with the ARID at least 30 days before their chosen effective date. A reference filing should contain only transmittal forms and the filing reference numbers. Copies of AAIS filed and approved materials should **not** be included in a reference filing.

Include the AAIS and state file numbers in all correspondence with the ARID.